



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0483	Title:	Revising laws governing board of environmental review related to energy projects
Primary Sponsor:	Jones, Llew	Status:	As Introduced

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|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$6,510	\$6,510	\$6,673	\$6,840
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$6,510)</u>	<u>(\$6,510)</u>	<u>(\$6,673)</u>	<u>(\$6,840)</u>

Description of fiscal impact:

The bill would require the Board of Environmental Review (the Board) to issue a final decision within 120 days from the date it receives a request for a hearing on appeals of Department of Environmental Quality decisions regarding air quality permits and major facility siting act certification for energy related projects.

FISCAL ANALYSIS

Assumptions:

Judicial Branch

1. This bill revises the environmental laws related to energy development projects; revises Board of Environmental Review hearing request procedures; requires a written undertaking to be given by a party requesting a hearing or stay before a District Court or the Board of Environmental Review; modifies the expiration date requirements for a permit or license under the air quality laws; clarifies remand procedures; clarifies the use of best available control technology regulations and guidance; and requires that the Board of Environmental Review issue final decisions within 120 days under the air quality laws and the Major Facility Siting Act.
2. The Judicial Branch is unable to estimate the impact of this legislation on judicial workload or the fiscal impact. The cumulative impact of all legislation establishing new actions in District Courts may over time require additional judicial resources because generally court dockets are full throughout the state.

Department of Environmental Quality (DEQ)

3. It is assumed two such appeals per year will occur.
4. It is assumed the applicant in one of these will elect to go through district court rather than the board, as provided in the bill.
5. It is assumed the board will elect to hear the case directly rather than assign it to a hearings officer.
6. The board currently meets six times per year. Depending on the timing of the receipt of the request for hearing, it may be necessary to schedule special board meetings to hear motions, conduct the hearings, or make final decisions within the 120-day deadline.
7. It is assumed a total of two special meetings per year will be required to meet the deadlines imposed by this bill.
8. A special board meeting is estimated to cost \$3,255, which breaks out as follows: \$1,509 for board member travel and per diem, \$987 for Agency Legal Services costs for the board attorney, and \$759 for contracted court recorder services. Two meetings in FY 2010 will cost \$6,510.
9. The \$6,510 is inflated by two and a half percent each year beginning in FY 2012.

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	<u>\$6,510</u>	<u>\$6,510</u>	<u>\$6,673</u>	<u>\$6,840</u>
TOTAL Expenditures	<u><u>\$6,510</u></u>	<u><u>\$6,510</u></u>	<u><u>\$6,673</u></u>	<u><u>\$6,840</u></u>
<u>Funding of Expenditures:</u>				
General Fund (01)	<u>\$6,510</u>	<u>\$6,510</u>	<u>\$6,673</u>	<u>\$6,840</u>
TOTAL Funding of Exp.	<u><u>\$6,510</u></u>	<u><u>\$6,510</u></u>	<u><u>\$6,673</u></u>	<u><u>\$6,840</u></u>
<u>Revenues:</u>				
General Fund (01)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL Revenues	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$6,510)	(\$6,510)	(\$6,673)	(\$6,840)

Technical Notes:

1. Section 1(b)(i) provides that, within 15 days of receipt of the request for hearing, an applicant or permittee may elect to have the appeal heard by the Board or the district court. The bill should specify whether it is receipt by the Board or the applicant that triggers the 15-day period.
2. Challenges to issuance of permits and permit modification by a person other the applicant or permittee is in district court. Section 7 should therefore be modified to refer to a district court challenge rather than a hearing under 75-5-611, MCA.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date